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# *Capability Portfolio Management briefing*

**4 November 2008**



# ***Agenda***

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- **Background**
- **Capability Portfolio Management (CPM) Organization Structure**
- **Scope of Oversight**
- **Program Objective Memorandum (POM) 10 Focus Areas**
- **CPM Activities to date**
- **Projected and Achieved Outcomes**
- **Lessons Learned**
- **Way Forward/Next Steps**



# Background

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- ❑ **Defense Acquisition System (DAS) –**
  - acquires systems and programs
- ❑ **Planning, Programming, Budgeting and Execution System (PPBE) –**
  - funds DoD systems, programs and activities
- ❑ **Joint Capabilities Integration and Development System (JCIDS) –**
  - identifies joint capability requirements
- ❑ **Three processes that focus on programs/systems, intersect infrequently and operate on their own calendars**
- ❑ **Quadrennial Defense Review (QDR) identified inherent inefficiencies and categorized need for change.**
  - Change identified as shift from managing single Service acquisition programs/systems to joint capability portfolio management (CPM)
  - 25 September 08, Deputy Secretary of Defense (DepSecDef) signed Directive mandating CPM across DoD
    - Result of 06 and 08 success evolving CPM processes to affect Program Objective Memorandum (POM) process
      - 06: DepSecDef designated four pilot portfolio projects
        - ♦ *Command and Control, Battlespace Awareness, Net-centric Operations, and Logistics*
      - 08: DepSecDef designated five experimental portfolio projects
        - ♦ *Building Partnerships, Force Support, Corporate Management and Support, Protection and Force Application*



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# CPM Leads & Relationships

Capability Portfolio	CPM Civilian Lead	CPM Military Lead	CPM Joint Staff OPR	Functional Capability Boards	Senior Warfighter Forum (SWarF) Lead
Command & Control	ASD(NII)	JFCOM	J3	JFCOM	JFCOM
Battlespace Awareness	USD(I)	STRATCOM	J2	J2	STRATCOM
Net Centric	ASD(NII)	STRATCOM	J6	J6	STRATCOM
Logistics	USD(AT&L)	TRANSCOM	J4	J4	TRANSCOM
Building Partnerships	USD(P)	J5		J5	JFCOM
Protection	USD(AT&L)	J8		J8	STRATCOM
Force Support	USD(P&R)	J8		J8	JFCOM
Force Application	USD(AT&L) USD(P)	JROC	J8	J8	JFCOM SOCOM STRATCOM
Corporate Management & Support	D,A&M	DJS		DJS	N/A



Standing CPM



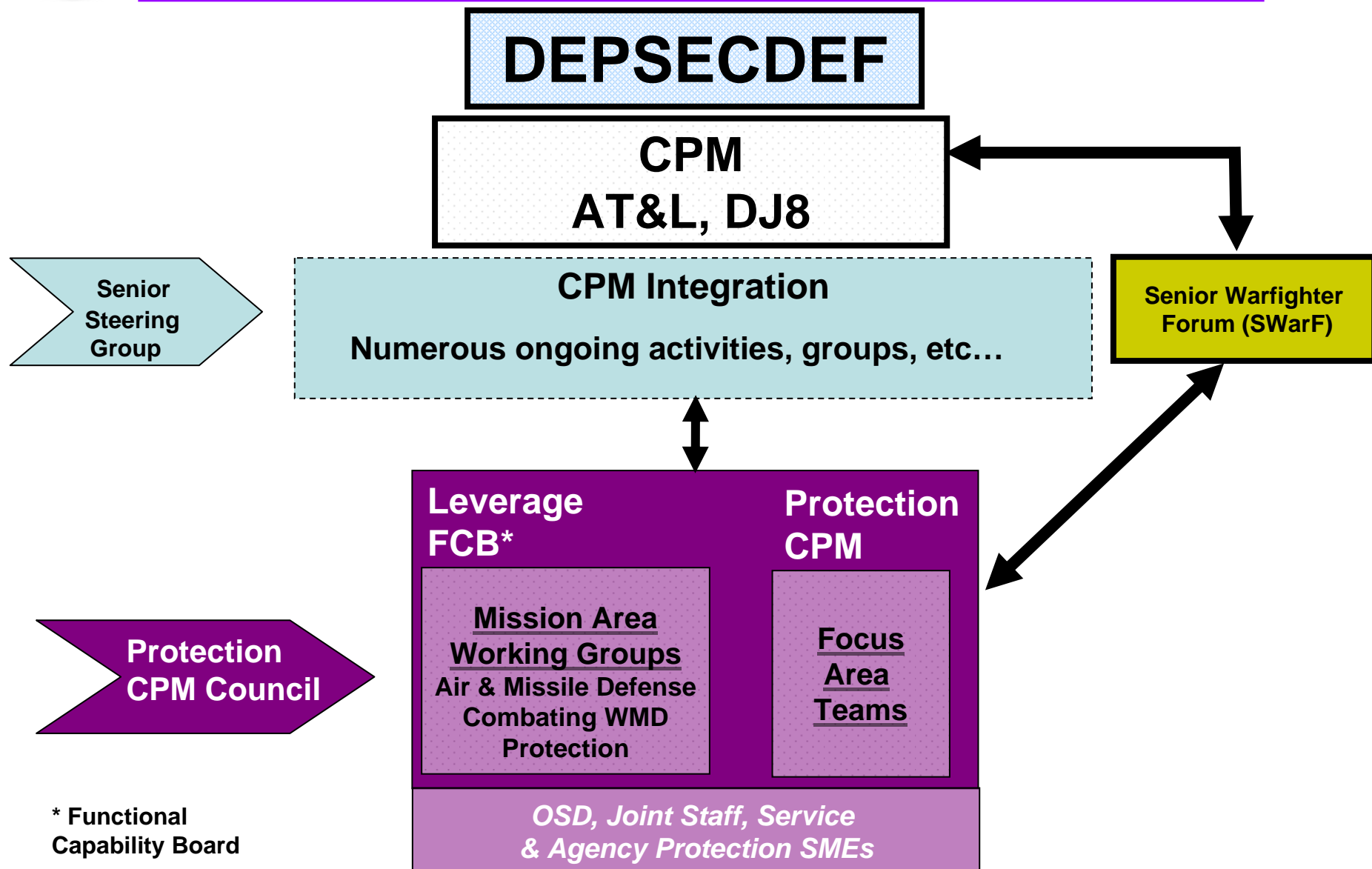
Experimental CPM



Experimental CPM – Protection and FA



# Protection CPM Organization





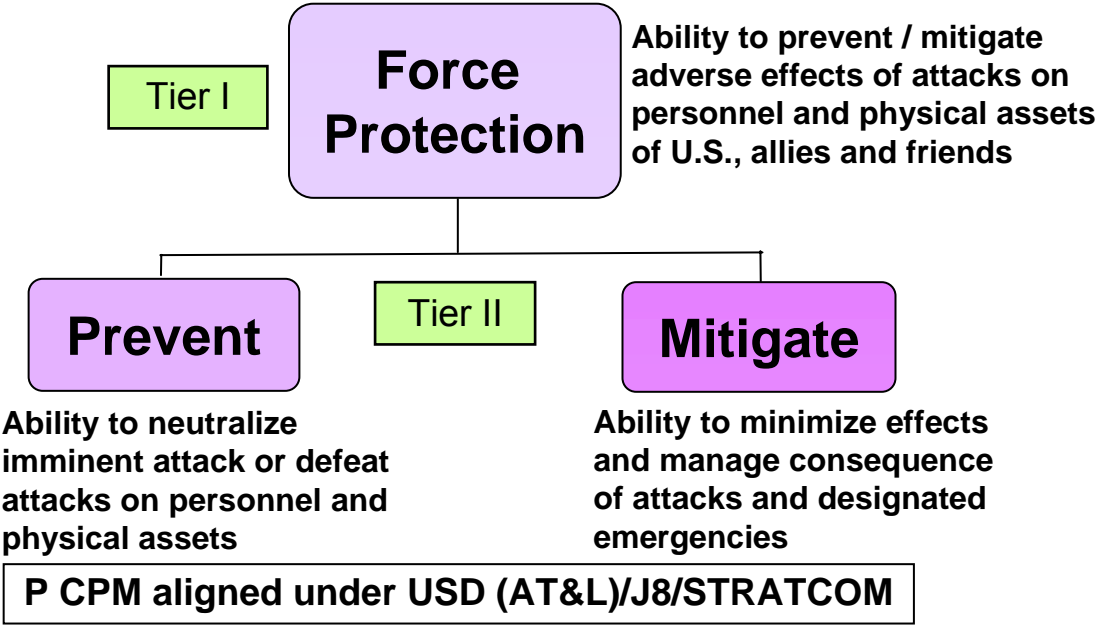
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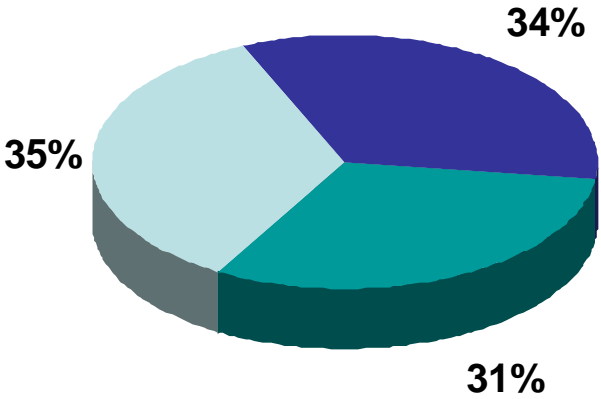
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# Protection Capability Portfolio Overview



Portfolio Breakdown by Primary Capability Area



326 Program Elements/\$199B (FY09-13)





# Protection Oversight Scope

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## ☐ **Derived from Tiered Protection Joint Capability Area**

- 5 Tiers with indentures
- Only addressed first two tiers

## ☐ **460 Program Elements of 5000**

- 182 - Lead
- 278 – Assist (with other CPMs)

## ☐ **Value - ~\$113B / \$842B**

## ☐ **Examples of possible Groupings**

- Antiterrorism
- Missile/Air Defense
- Critical Infrastructure Protection
- Combat Survivor & Rescue
- Counterdrug
- Contingency Response
- Air Base Security



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# ***Input to POM 10 Focus Areas***

## **STRATEGIC GOALS AND OBJECTIVES**

### **Guidance for Developing the Force (GDF)/National Military Strategy (NMS)/Quadrennial Defense Review (QDR)**

- Balanced Portfolio
- Protect against current and future threats
- Prevent proliferation of Weapons of Mass Destruction (WMD)
- Mitigate by improving crisis management

## **WARFIGHTER REQUIREMENTS**

### **SWarF/P FCB/JCIDS**

- Combatant Commands Integrated Priority Lists
- Joint Urgent Operational Needs Statement (JUONS)
- Concept of Operations (CONOPS)

## **OPERATIONAL CONSIDERATIONS**

### **•Synchronizing:**

Requirements  
Programming  
Acquisition

- Early/Rapid Technology Development
- Fielding and Sustaining Capability



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# CPM Activities to Date

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## ❑ March 08

- Initial CPM briefing to Deputy's Advisory Working Group (DAWG)

## ❑ April

- Identified and prioritized Focus Area Teams
- Provided initial CPM POM recommendations

## ❑ May

- Identified supporting Program Elements for each portfolio and metrics for analysis

## ❑ June

- Protection CPM Senior Steering Group review

## ❑ July

- Services provided POM inputs for CPM assessment

## ❑ August

- CPM made final recommendations and provided supporting Issue Papers
- Briefed recommendations to 3-Star Programmers and DAWG

## ❑ September

- Program Analysis and Evaluation (PA&E) to finalize approved actions

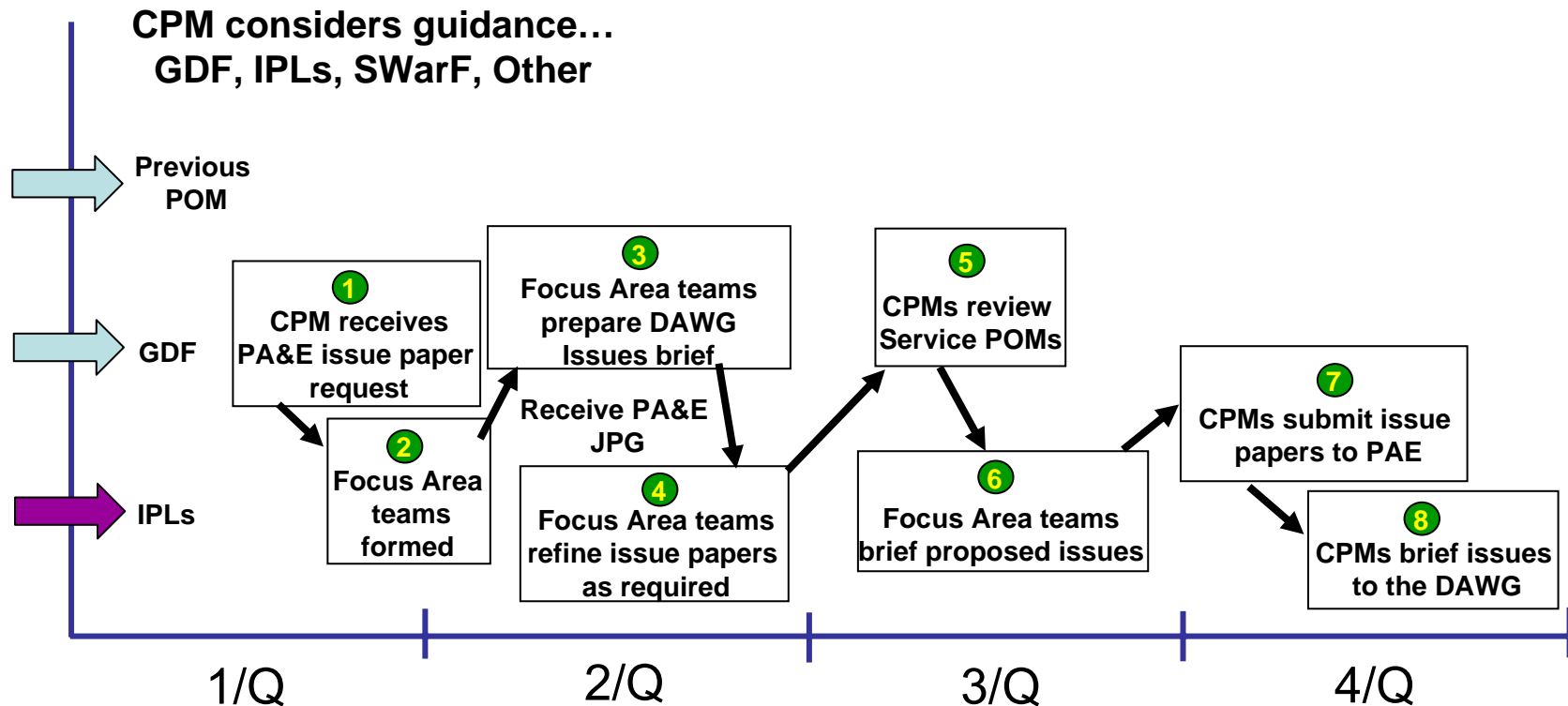
## ❑ October / November

- POM completed and ready for submission



# Protection CPM Business Rules

## Example – POM 10 Tempo



After the DAWG, CPM was involved with Issue Team(s) leading up to Program Budget Decision (PBD) / Program Decision Memo (PDM)



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# Projected Outcomes

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## ☐ Influence POM builds

- Most effective use of DoD budget

## ☐ Verify Services POM activities

- Build for POM 10-15

## ☐ Support COCOM POM inputs

## ☐ Balance Service and COCOM POM inputs from Capability Perspective

- Evaluate and balance portfolio

## ☐ Leverage existing structure and manpower





# Achieved Outcomes

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## ☐ **Recommended modifications to DepSecDef for POM 10-15**

- Verified Services POM activities were consistent with CPM recommendations
- Supported COCOM POM inputs
- Balanced Service and COCOM POM inputs from Capability Perspective

## ☐ **Set stage for further CPM engagement during:**

- POM
- Budget Estimate Submission (BES)
- Execution Year Activities

## ☐ **Influenced POM-10 build**

- **Proposed Issue Nominations**
  - **CPM personnel participated in PA&E's Issue Teams**
- Leveraged existing structure and manpower
  - Began Mar 08 and will complete Nov 08

6 months to Success



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# CPM POM10 Lessons Learned

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## ❑ Goods:

- Coherent, actionable CPM recommendations provided to Services as early as possible in the POM cycle with follow up through Service POM build
- Early, proactive Service and COCOM involvement
- Given time constraints, CPMs had good insight into COCOM and PSA issue nominations and were able to minimize conflicts and duplications
- CPM staffs effectively navigated complex issue nomination process despite extreme schedule constraints
  - Recommended review of decision authority within CPMs to include issue paper approval – short POM review timeline requires maximum efficiency and streamlined coordination processes

## ❑ Others:

- Rigorous prioritization process for issues AND offsets needed
- Portfolio analysis tools/processes need improvement
- CPMs need more time to assess POM input after receipt



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# Way Forward

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- ❑ **DoD Directive 7045.aa - Capability Portfolio Management**
  - Develop supporting DoD Instructions
- ❑ **Mature cross-portfolio management mechanisms**
  - Develop governance for cross-cutting issues
  - Harmonize baseline for timelines
  - Refine Business Rules
- ❑ **Develop / refine SWarF attributes / metrics**
- ❑ **Develop CPM portfolio risk, metrics, and decision tools**
- ❑ **Publish selected 2010 OSD Comptroller Performance Metrics**
  - Publication TBD (referenced in Budget guidance)
  - Fall 08: Budget Issue Performance Metric teams
- ❑ **Develop CPM Business Plan**
- ❑ **Develop / refine Business Rules**